

JANICE K. BREWER

Governor



HERBERT R. GUENTHER

Director

ARIZONA DEPARTMENT OF WATER RESOURCES

3550 North Central Avenue, Second Floor
PHOENIX, ARIZONA 85012-2105
(602) 771-8500

January 27, 2010

VIA CERTIFIED MAIL

Maggie Gallogly, Fennemore Craig, P.C.
On behalf of Heritage Investment Holdings II LLC
3003 N Central Ave. #2600
Phoenix, AZ 85012

**Re: Certificate of Assured Water Supply
Verrado Parcel 3.412
DWR File No. 30-401701.0002**

Dear Ms. Gallogly:

The Department of Water Resources has determined that the criteria for an Assured Water Supply pursuant to A.R.S. § 45-576 and A.A.C. R12-15-701 *et seq.* have been met, and therefore the Director has decided to issue Assured Water Supply Certificate No. 30-401701.0002. Arizona American Water Company - Agua Fria will provide the water supply to the lots. The source of supply will be groundwater. Based on current information, the Department has determined that the subdivision's total projected demand is 12.56 acre-feet per year for 27 lots, and the groundwater allowance for the 100-year period is 50.24 acre-feet. The Certificate is attached. The Department suggests you record your Certificate of Assured Water Supply in the appropriate county recorder's office. This will provide you with a permanent public record of the Certificate.

This determination is applicable only to the person or entity specified on the Certificate and for the plat reviewed by the Department. Information used in evaluating this application is available for review in the Department's files. Please contact us if questions arise.

Pursuant to A.R.S. § 41-1092.03, the Department is notifying you that the Director's determination and decision to issue the Certificate is an appealable agency action. You are entitled to appeal this action. If you wish to appeal this action, you must file a written appeal within thirty (30) days from receipt of this letter. I am providing you with a summary of the appeal process and an appeal form, should you elect to pursue this option.

Sincerely,

A handwritten signature in dark ink, appearing to read "John Schneeman".

John Schneeman, Manager
Office of Assured and Adequate Water Supply

JFS/mjp

Enclosures

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Subdivision Name: Verrado Parcel 3.412

File Number: 30-401701.0002

January 27, 2010

cc electronic mail:

Candi Cox, CAGRD

Robin King, Arizona Department of Real Estate

Steve Olea, Arizona Corporation Commission

Linda Taunt, Arizona Department of Environmental Quality

Cynthia Stefanovic, Arizona State Land Department

Drew Swieczkowski, Hydrology Division

J. Scott Miller, Phoenix AMA Division